



# PDC NEWS

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711 Capitol Way, Room 206  
Olympia Washington

## Public Disclosure Commission

**Christine Yorozu, Chair**  
**Gerry Marsh, Vice-Chair**  
**Lois Clement, Secretary**  
**Susan Brady, Commissioner**  
**Ronda Cahill, Commissioner**

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### **Commission Accepts Agreement in Case Against Metropolitan Mortgage & Securities Company**

The Public Disclosure Commission, in lieu of a full enforcement hearing, accepted a stipulated agreement between its staff and Metropolitan Mortgage & Securities of Spokane. The company acknowledged that the Commission would likely find violations of the Public Disclosure Act at a formal enforcement hearing. Based on the agreement, Metropolitan Mortgage & Securities was assessed a total civil penalty of \$20,000, \$10,000 of which is payable within 30 days and another \$10,000 is suspended on the condition that there be no additional violations of the disclosure law for four years.

Metropolitan Mortgage was charged with making contributions to the John J. Talbott for Strong Mayor Committee in excess of the \$5,000 maximum allowed during the 21 days preceding the 2000 General Election.

### **Seattle School District Admits Violations of PDC Laws**

The Public Disclosure Commission accepted a stipulated agreement between its staff and the Seattle School District in lieu of a formal enforcement hearing. In the stipulation, the Seattle School District admitted to multiple violations of state statute by failing to maintain open for public inspection copies of each employee's request for withholding wages for the purpose of making contributions to a political committee.

State law requires that employers who withhold employee funds for contributions to a political committee must make those records available to the public for inspection during normal business hours. The Seattle School District withheld contributions to the Washington Education Association Political Action Committee (WEA-PAC) for 307 of its employees and did not have the records available when asked to provide them for public inspection.

The Seattle School District was assessed a \$1,000 civil penalty with \$500 suspended if no further violations of RCW 42.17 occur during the next four years.

### **Other Enforcement Action**

The Commission also levied civil penalties against two elected officials for violating RCW 42.17.240 by failing to file the annual Statement of Financial Affairs by April 16, 2001. The officials who were assessed a penalty are:

- **Derek M. Young, Council Member for the City of Gig Harbor** – Assessed a civil penalty of \$750 with \$500 suspended if no further violations occur during the next four years. Young had outstanding penalties and fees of \$1,194 for two prior cases of failing to file Statements of Financial Affairs, which he paid on September 11, 2001.
- **Leslie Martinez, Council Member for the City of Enumclaw** – Assessed a civil penalty of \$750 to be referred to the Attorney General's Office for collection if not paid within 30 days. Martinez also has unpaid penalties of \$650 which were referred to the Attorney General's Office for collection on February 22, 2001.

## **Requests for Review**

Fourteen public officials requested that the full commission review their cases after having been found in violation for failing to file a Statement of Financial Affairs and assessed a civil penalty by the Commission Chair in a Brief Enforcement Hearing on July 30, 2001.

The commission took action on the following seven cases:

- **Gregory Barnes**, Case 01-249-Commission found a violation of RCW 42.17.240 and assessed a civil penalty of \$250 with \$200 suspended if the penalty is paid within 30 days.
- **David Coleman**, Case 01-291-Commission found a violation of RCW 42.17.240 and assessed a civil penalty of \$100 with \$50 suspended pending no further violations during the next four years.
- **Gregory Cox**, Case 01-304-Commission found a violation of RCW 42.17.240 and assessed a civil penalty of \$100 with \$50 suspended pending no further violations during the next four years.
- **Carl Davis**, Case 01-316-Commission found a violation of RCW 42.17.240 and assessed a civil penalty of \$250 with \$200 suspended pending no further violations during the next four years.
- **Patrick McCulley**, Case 01-476-Commission found a violation of RCW 42.17.240 and assessed a civil penalty of \$100 with \$50 suspended pending no further violations during the next four years.
- **Stephen Ruhl**, Case 01-567-Commission vacated the prior order.
- **Barbara West**, Case 01-662-Commission found a violation of RCW 42.17.240 and assessed a civil penalty of \$100 with \$100 suspended pending no further violations during the next four years.

## **Petition for Intervention**

The Commission denied a request by the Washington Education Association Political Action Committee (WEA-PAC) to intervene in an enforcement action against the Tacoma School District, PDC Case #01-199. The case alleges violations for failure to maintain open for public inspection documents and books of account and a copy of each employee's request for withholding wages for the purpose of making contributions to a political committee. WEA-PAC was granted the authority to submit an amicus brief concerning legal arguments it wishes the Commission to consider in this matter. The case is expected to be heard at the Commission's meeting on October 23, 2001.

## **Reporting Modifications**

The Commission granted reporting modifications for filing the Personal Financial Affairs Statement to LeeAnn Powers, School Director Candidate for Central Kitsap School District, Michael R. Winch, City Council Candidate for the City of Mill Creek and held for further review a modification request by Cynthia Sullivan, King County Council Member.

The Commission meeting materials are available on the Internet at [www.pdc.wa.gov](http://www.pdc.wa.gov) under **Commission Meetings** at **Meeting Agendas and Materials**. For additional information concerning these issues, contact Doug Ellis, Director of Public Outreach, at (360) 664-2735, toll free 1-877-601-2828 or e-mail at [dellis@pdc.wa.gov](mailto:dellis@pdc.wa.gov).